

Public Service Commission State of North Dakota

COMMISSIONERS

Brian P. Kalk Randy Christmann Julie Fedorchak

Executive Secretary Darrell Nitschke 14 August 2014

600 East Boulevard, Dept. 408
Bismarck, North Dakota 58505-0480
Web: www.psc.nd.gov
E-mail: ndpsc@nd.gov
Phone: 701-328-2400
ND Toll Free: 1-877-245-6685
Fax: 701-328-2410
TDD: 800-366-6888 or 711

Darrell Nitschke Executive Secretary North Dakota Public Service Commission 600 E. Blvd. Ave. Dept. 408 Bismarck, ND 58505-0480

Re: Red River Rural Telephone Association 2014 High-Cost Universal Service Support Annual Report Case No. PU-14-076

Absaraka Cooperative Telephone Company, Inc. 2014 High-Cost Universal Services Support Annual Report Case No. PU-14-406

Halstad Telephone Company 2014 High-Cost Universal Service Support Annual Report Case No. PU-14-408

Moore and Liberty Telephone Company 2014 High-Cost Universal Services Support Annual Report Case No. PU-14-533 Griggs County Telephone Co. 2014 High-Cost Universal Services Support Annual Report Case No. PU-14-399

Midstate Communications Inc. 2014 High-Cost Universal Services Support Annual Report Case No. PU-14-407

Midstate Telephone Company 2014 High-Cost Universal Services Support Annual Report Case No. PU-14-409

Dear Mr. Nitschke:

Enclosed is a Staff Response to the Application for Trade Secret Protection in the captioned cases.

- 9 PU-14-409 Filed 08/14/2014 Pages: 4 Staff response to application for trade secret protection Public Service Commission
- 9 PU-14-407 Filed 08/14/2014 Pages: 4
 Staff response to application for trade secret protection
 Public Service Commission

c/w enclosures: Tom Campbell David Hogue

- 9 PU-14-399 Filed 08/14/2014 Pages: 4
 Staff response to application for trade secret protection
 Public Service Commission
 - 7 PU-14-533 Filed 08/14/2014 Pages: 4
 Staff response to application for trade secret protection
 Public Service Commission

Best regards,

Illona A. Jeffcoat-Sacco General Counsel

- 7 PU-14-408 Filed 08/14/2014 Pages: 4
 Staff response to application for trade secret protection
 Public Service Commission
- 10 PU-14-406 Filed 08/14/2014 Pages: 4
 Staff response to application for trade secret protection
 Public Service Commission
- 10 PU-14-76 Filed 08/14/2014 Pages: 4
 Staff response to application for trade secret protection
 Public Service Commission

Red River Rural Telephone Association

2014 High-Cost Universal Service Support

Annual Report

Case No. PU-14-076

Griggs County Telephone Co.

Case No. PU-14-399

2014 High-Cost Universal Services Support

Annual Report

Absaraka Cooperative Telephone Company, Inc.

Case No. PU-14-406

2014 High-Cost Universal Services Support

Annual Report

Midstate Communications Inc.

2014 High-Cost Universal Services Support

Annual Report

Case No. PU-14-407

Halstad Telephone Company
Case No. PU-14-408
2014 High-Cost Universal Service Support
Annual Report

Midstate Telephone Company
2014 High-Cost Universal Services Support
Annual Report

Case No. PU-14-409

Moore and Liberty Telephone Company
Case No. PU-14-533
2014 High-Cost Universal Services Support
Annual Report

STAFF RESPONSE TO APPLICATIONS TO PROTECT INFORMATION

On July 1, 2014, Red River Rural Telephone Association (Red River), Griggs County Telephone Co. (Griggs), Absaraka Cooperative Telephone Company (Absaraka), Midstate Communications Inc. (Midstate Comm.), Midstate Telephone Company (Midstate Tel.), and Moore and Liberty Telephone Company (Moore), each filed an application in each company's respective case, to protect certain information contained in each respective company's Form 481, High Cost and Low-Income Annual Report. Each company asserts this information is exempt from North Dakota Century Code § 44-04-18.

On July 11, 2014, Midstate Comm. and Midstate Tel. each filed applications to protect the information contained in Exhibit A, Items 1 and 2 attached to each of the company's Annual Report to the North Dakota Public Service Commission, Essential Telecomm. Carrier Certification (Annual Report). The companies assert this information is exempt from North Dakota Century Code § 44-04-18. On July 30, 2014, Red River, Griggs, Halstad Telephone Company (Halstad), and Moore each filed similar applications. On July 31, 2014, Absaraka filed a similar application.

Each company used the same justification for protecting their Forms 481. Firstly, the information is treated as confidential by the regulations and orders of the Federal Communications Commission (FCC) under 47 CFR §§ 0.457 and 0.459 and FCC orders. Secondly, the information in Form 481 falls within the statutorily-defined exception to North Dakota's Open Records Requirements. North Dakota Century Code § 44-04-18.4(1) provides three elements for the exception to apply: (1) Trade secret, propriety, commercial, and financial information is confidential if it is (2) of a privileged nature and (3) it has not been previously.

The companies assert that the information they provided falls within the definition of trade secret and competitors could obtain economic value from the disclosure of this information. Each company further asserts this information is "of a privileged nature" because disclosing the information is likely to cause substantial harm to the competitive position of the company. Finally, they assert the information has not previously been disclosed. Because of these reasons, the companies believe that the information in FCC Form 481 should be protected.

Each company who filed an application relating to Trade Secret Exhibit A, Items

1 and 2 of their Annual Report also used the same rationale when applying for

protection. First, the information in Trade Secret Exhibit A, Items 1 and 2, is confidential under 47 C.F.R. §§ 0.457 and 0.459 and FCC orders. Likewise, the information falls within the statutorily-defined exception. The companies assert that the information provided falls within the definition of trade secret and competitors could obtain economic value from the disclosure of this information. They further assert the information is "of a privileged nature" because disclosing the information is likely to cause substantial harm to the competitive position of the company. Finally, the companies assert the information has not previously been disclosed. Because of these reasons, the companies believe the information in Trade Secret Exhibit A, Items 1 and 2 should be protected.

Staff believes the information qualifies for the protection the companies seek. For reasons set forth above, staff recommends that the Commission grants the requests of Red River Rural Telephone Association, Griggs County Telephone Co., Absaraka Cooperative Telephone Company, Inc., Midstate Communications Inc., Halstad Telephone Company, Midstate Telephone Company, and Moore and Liberty Telephone Company to protect the information filed in the captioned cases.

Respectfully submitted this 14th day of August 2014.

Illona A. Jeffcoat-Sacco (ID No. 03315)

Special Assistant Attorney General

State Capitol – 12th Floor

600 East Boulevard Ave - Dept 408

Bismarck, North Dakota 58505-0480

Telephone (701) 328-2400 Facsimile (701) 328-2410

ijs@nd.gov

Attorney for the Public Service Commission